1867 1967

file

# Dominion Textile Company Limited

## Annual Report 1967

# Contents

*Si vous préférez recevoir ce rapport*
*en français,*
*veuillez vous adresser au secrétaire,*
*case postale 6250, Montréal 3, Québec.*

# Ten-Year Summary

| In thousands of dollars | 1958 | 1959 | 196 |
|---|---|---|---|
| Sales | $96,125 | $99,241 | $97, |
| Income (loss) from operations | 3,863 | 5,123 | 5, |
| Revenue from marketable securities | 549 | 455 | 5 |
| Income taxes | 2,241 | 2,765 | 2, |
| Net income (loss) | 2,153 | 2,797 | 2, |
| Shareholders' equity | 46,677 | 47,960 | 48, |
| Long term debt | 12,441 | 9,480 | 9, |
| Total current assets | 50,117 | 47,874 | 51, |
| Total current liabilities | 16,335 | 12,627 | 17, |
| Working capital | 33,781 | 35,247 | 33, |
| Additions to fixed assets | 8,279 | 1,845 | 4, |
| Provision for depreciation | 5,312 | 4,517 | 4, |
| **Per common share** | | | |
| Income taxes | .87 | 1.07 | 1 |
| Net income (loss) | .79 | 1.03 | 1 |
| Dividends | .60 | .60 | |
| Shareholders' equity | 17.50 | 17.85 | 18 |

*Figures for 1966 are after transfer of reserves for inventories and marketable securities and include Penmans Limited.

Dominion Textile

Company Limited

and Canadian

Subsidiaries

| 1961 | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 |
|---|---|---|---|---|---|---|
| $103,185 | $124,224 | 137,324 | $151,585 | $161,601 | $178,324 | $129,808 |
| 7,565 | 8,088 | 9,887 | 12,668 | 11,517 | 11,574 | (11,951) |
| 500 | 481 | 494 | 451 | 514 | 891 | 534 |
| 4,444 | 4,201 | 5,292 | 6,709 | 6,101 | 5,119 | (6,851) |
| 3,609 | 4,357 | 5,053 | 6,369 | 5,910 | 7,346 | (4,566) |
| 50,210 | 52,284 | 54,514 | 57,715 | 60,335 | 79,939 | 73,689 |
| 8,411 | 7,940 | 6,350 | 5,900 | 37,450 | 32,000 | 52,000 |
| 54,540 | 62,592 | 57,471 | 60,908 | 70,237 | 95,296* | 103,072 |
| 18,984 | 26,126 | 21,173 | 24,353 | 20,377 | 45,383 | 52,143 |
| 35,556 | 36,466 | 36,298 | 36,555 | 49,860 | 49,913* | 50,929 |
| 3,816 | 5,900 | 7,104 | 10,564 | 19,765 | 31,139 | 19,297 |
| 4,367 | 4,830 | 5,308 | 7,776 | 7,796 | 8,713 | 9,249 |
| | | | | | | |
| 1.72 | 1.63 | 2.05 | 2.60 | 2.36 | 1.97 | (2.64) |
| 1.35 | 1.65 | 1.92 | 2.43 | 2.25 | 2.79 | (1.80) |
| .70 | .80 | 1.00 | 1.20 | 1.20 | 1.25 | 1.00 |
| 18.87 | 19.69 | 20.59 | 21.80 | 22.82 | 30.26* | 27.85 |

# Two Years' Comparative Highlights

| In thousands of dollars | 1966 | 1967 |
|---|---|---|
| Sales | $178,324 | **$129,808** |
| Income (loss) from operations | 11,574 | **(11,951)** |
| Revenue from marketable securities | 891 | **534** |
| Income taxes | 5,119 | **(6,851)** |
| Net income (loss) | 7,346 | **(4,566)** |
| Shareholders' equity | 79,939 | **73,689** |
| Long term debt | 32,000 | **52,000** |
| Total current assets | 95,296* | **103,072** |
| Total current liabilities | 45,383 | **52,143** |
| Working capital | 49,913* | **50,929** |
| Additions to fixed assets | 31,139 | **19,297** |
| Provision for depreciation | 8,713 | **9,249** |
| **Per common share** | | |
| Income taxes | 1.97 | **(2.64)** |
| Net income (loss) | 2.79 | **(1.80)** |
| Dividends | 1.25 | **1.00** |
| Shareholders' equity | 30.26* | **27.85** |

# Directors' Report to the Shareholders

## Results

For almost half of the fiscal year covered by this report, seven of your Company's plants were closed by a strike, the effect of which was felt throughout the entire Company, and accounts for virtually the entire difference in results between this year and last.

For the year ended 31st March 1967, sales amounted to $129,807,786 by comparison with $178,323,982 for the previous year. This represents a reduction of 27.2%. The net loss for the year amounted to $4,565,835, which is equivalent to a loss per common share of $1.80 after preference dividends, and compares with net income for the previous year of $7,345,837 or $2.79 per common share.

Regular quarterly dividends of $1.75 per share were paid on the 7% cumulative preference stock. A dividend of 25¢ per share was paid on the common stock for each of the four quarters of the year. The resulting total of $1.00 per share for the current year compares with $1.25 per share for the previous year.

The book value or shareholders' equity per share of common stock has declined from $30.26 last year to $27.85.

The onset of the strike was noted in last year's annual report. Since then shareholders have been given interim information dealing with the impact of the strike as its effect became measurable when work was resumed after five and a half months of idleness.

It may seem unusual that one strike should be dealt with in two successive annual reports, but the timing, duration and severity of this particular labour action, and its effect on our financial results and market position, demand amplification.

Any strike is a loss proposition for all parties — the employees, the communities in which they live, the Company itself and, of course, the tax collectors. Last year's strike was abnormally damaging since its duration extended over particularly sensitive periods of the year's production schedule, a schedule distinctive to the manufacture and merchandising of textiles in Canada.

To take the large field of converted fabrics as an example, the 1966 Fall Range had been issued to the trade in December 1965 and samples were being studied by our customers resulting in orders for delivery in March through August 1966. At the time when bulk delivery from orders booked should have been made, the producing plants were closed; only the early, light sampling shipments were made. The result — much of the inventory has had to be carried forward.

At the same time, the closing of the main converting plant, Magog Print Works, completely prevented your Company from producing a 1967 Spring Range of samples normally offered to the trade in May or June 1966. As a consequence, our customers, in their own interests, had to look elsewhere for the bulk of their needs. In point of fact, not knowing when we would reopen, we did our best to help our customers find their requirements from other sources. When the Print Works did reopen, it could only operate on spot business, the traditional bulk Spring Range business being irretrievably lost for the 1966-67 season.

Many times during the course of the

strike, management warned the Union leaders and all our employees, of the inevitability of disrupted schedules and the necessity for curtailing operations. Regrettably, as predicted, this has been the situation.

The accumulation of inventories brought about by the operation of grey mills not on strike, together with the loss of the large volume Spring business, has brought about a substantial curtailment of manufacturing operations since the conclusion of the strike.

While our inventory position is still substantially heavier than it should be, it must be remembered that a large part of this increase is attributable to the coming into production of two new plants at Long Sault, Ontario.

Higher wages are among the increased expenses of doing business. The settlement finally reached left our employees earning more than their opposite numbers in the cotton textile industry of the U.S. and thus at the highest wage levels in the world for this industry.

The year 1966 was one of severe upward pressure by labour across Canada. The militant mood of some unions seemed out of touch with the reality of economics and led in many cases to unduly long labour stoppages of a type not expected in modern labour-management practice.

The recovery from last summer's strike and its aftermath continues, and we are optimistic that we will see a gradual restoration of earnings. There have been changes in some parts of the trade. The erosion of some staple volume lines due to imports naturally leads to fragmentation and diversity of production on the whole. This, of course, is the antithesis of the approach which any manufacturer employs when trying to obtain cost reductions through increased productivity.

Your Company is geared to advanced technology and its philosophy is designed to meet the almost constant changes demanded of any competitive industry today. However, the large volume of imports at subnormal prices makes it very difficult, and at times impossible, for the Canadian textile industry to pass along legitimate increases in cost to the same degree that is possible in some other industries.

## Plants

Our capital expenditure programme for this fiscal year will be held to approximately $5,500,000. The programmes now nearing completion covering the expansion of the Caldwell plant and the modernization of the Drummondville plant will take up the lion's share of this sum.

Intensive modernization of facilities has been the rule in your Company. As long as it was practicable to re-equip and modify a plant to assure competitive production, this programme has been followed.

Some older mills, such as our Merchants Branch, do not lend themselves to continuing economical modernization over the years ahead. Engineering studies showed that this plant could not be adapted to compete with the modern textile mill, and as a result, Merchants Branch has been gradually contracting its production over a period of more than a year and is expected to be completely closed by early October of this year.

An intensive programme for relocating, and where necessary, retraining its employees for other jobs — a good many of them in other plants of your Company — is being conducted in co-operation with the Union, the Federal Department of Manpower and Immigration and the Provincial Department of Labour. Any modern equipment installed in Merchants in recent years will, of course, be transferred to other units of the Company where manufacturing conditions permit more productive use of such machines.

## Subsidiaries

*Caldwell Linen Mills Limited*

During the year your directors approved the expenditure of $3,400,000 to provide for additional manufacturing and warehousing space and to modernize the facilities at Iroquois, Ontario.

The increased sales volume already achieved, plus potential increases, made it imperative that enlarged facilities be provided. In addition to modern warehousing facilities, some new wide looms are being installed with additional space being provided for further expansion.

We are expecting some benefit from these expenditures during the year ending March 31, 1968, with increased benefits in the following year.

*Domil Limited*

As of March 31, 1967, Domil Limited has been totally integrated into the parent Company, although some products will continue to be marketed under the Dōmil label.

*Penmans Limited*

During the year substantial progress was made in the consolidation and mo-

dernization of the Company's manufacturing facilities.

The product line has been given a substantially new look and, supported by new packaging and a national advertising programme, has been enthusiastically received by the trade.

We are confident that Penmans will become an increasingly valuable asset for your Company.

*Tre-mont Worsted Mills Limited*

Tre-mont Worsted Mills Limited, founded in 1948, and operated as a subsidiary since that time, has been integrated into the operations of the Company.

The line of plain and dyed worsted yarns of natural, man-made and blend fibres continues to be sold under the well-known Tre-mont trademark.

*Industrial Specialty Manufacturing Company Limited*

This former subsidiary, engaged in the production of bobbins, spools and other wooden items for the textile industry as well as wood turnings used in the furniture industry, was sold during the course of the fiscal year. It had outlived its usefulness as an integral part and supply source for the Company's spinning and weaving operations.

## Markets

Generally speaking, the world's textile markets are not as buoyant as a year ago. We do not expect this condition to continue for too long and have every hope and expectation that, once our normal position in this market is regained, our earnings for the 1968 fiscal year will be improved.

Export volume was also sadly affected by the strike and our percentage of export sales to total sales in the last fiscal year was 4.66 percent as against 7.28 percent last year.

We are aggressively endeavouring to regain our export markets and have great hopes that our position will be restored this year.

There are also indications that export sales of converted fabrics will improve as a result of our efforts expended over the last few years.

Some factors affecting your Company's prospects are beyond the control of management. The Canadian Government is participating in the Kennedy Round of GATT talks at Geneva. We can only hope that in these negotiations Canada will continue to receive recognition as a particularly vulnerable market which has, for many years, borne a tremendous per capita load of imports.

The "Long Term Cotton Textile Agreement", which was to have terminated at the end of this year, has been renewed for another three years. This agreement, in which Canada is one of thirty participants, has as a basic concept the orderly expansion of exports by developing countries and, at the same time, gives the importing country the right to restrict imports from any one country to a stated reasonable percentage of increase against those of a selected base period. By this convention Canada has the legal right to restrict imports so that they will not unduly damage the domestic industry. In the implementation of this agreement the United States, adhering to their well known policy, have so arranged their affairs that they still preserve more than 90% of the American market for American mills. This is a far cry from the 60% of the Canadian market supplied by the Canadian cotton and man-made fibre industry. It is extremely difficult for a Canadian in the textile industry to accept this difference of philosophy in the implementation of the agreement.

## Japan

The exportation by Japan of cotton fabrics and products to Canada reached such proportions during the 1950's that, at the urging of the Canadian Government, Japan initiated a voluntary programme of quotas on certain specified items. This was followed by a more formalized quota agreement for the 5-year period 1963-1967. The intention was that over the 5-year period, if the Canadian cotton textile market was sufficiently buoyant to warrant it, a growth increase in the quota of 15 percent, or approximately 3 percent per annum, would be permitted, at the same time recognizing that some flexibility was necessary to take account of market circumstances from year to year.

The avowed intention of the Japanese was that exports of textiles to Canada would not impinge on those few volume lines which could be produced economically in Canada, but rather that they, for the most part, would replace imports from other countries and would serve to supplement the diversified tastes of the Canadian market. Unfortunately, this has not been the case.

Logically enough, from the exporters' point of view, Japanese exports of cotton textiles and, in recent years, fabrics made from blends of cotton with man-made fibres (the latter being outside the quota agreement) have been beamed directly at the bulk items manufactured

in Canada. This devastating competition, because of exaggeratedly low prices, has hit your Company on three separate occasions with the result of loss of market and increased cost.

The first occasion was that of all-cotton combed broadcloths, when plans for a modern plant never got beyond the drawing board stage.

The second, when we developed the market and built Richelieu Fabrics Limited. Here, as we were bringing the plant into operation, Japanese imports cut the heart out of our volume lines with the result that production had to be greatly diversified at increased cost.

The third and most recent occasion is concerned with polyester/cotton blend fabrics and garments. We have just brought into production a very modern spinning and weaving mill at Long Sault for the production of this type of fabric and we also have brought into production the new Beauharnois Finishing Plant with very special facilities for processing man-made and cotton blends. Again the Japanese invaded this volume market with good quality fabrics sold at prices lower than any known cost of production in Canada or in the United States. The result — decimation of our production schedule, higher costs and loss of market for ourselves, the garment manufacturers and the Canadian man-made fibre producers.

For a long time we have been urging the Canadian Government to put overall containment on Japanese and other Asiatic imports, but so far to no avail. We now understand that this entire matter will be taken up with the Japanese during this year's quota discussions. We sincerely hope our Government will insist on a "roll-back" to some substantially lower base than the present high level of imports, otherwise the industry has suffered permanent damage.

We continue to strive for a greater share of the domestic market and can draw some encouragement from the steadily growing world need for textiles and the increasing growth of our own market.

In this connection, particular tribute must be paid to the younger generation of Canadians who show a remarkable interest in the latest types of materials, styles and designs being produced for their needs by science and industry. This willingness to think modern in terms of clothing and household materials with many products brightly alive with colour, gives encouraging response to your Company's continuing policy of being modern in outlook, in facilities and in technology. Even more significant, this younger age group is increasing in size and in affluence in relation to other age groups.

Canada is a young nation with a large young population. Your Company is designed to serve and grow with just such a market.

## Directors

It is with genuine regret that we announce the retirement of two of your Board's Directors. Mr. Paul Bienvenu retired during the course of the year due to pressure of his other business affairs. Mr. Hugh Crombie is not standing for re-election at the coming annual meeting in accordance with the By-laws of the Company. Both of these gentlemen have served your Company faithfully and well and we wish to acknowledge their combined twenty-three years of service with appreciation. Mr. J. Claude Hébert has replaced Mr. Bienvenu on the Board of Directors and we are looking forward to having the advantage of his personal successful business experience and his keen interest in everything with which he comes in contact. Mr. R. H. Perowne, Vice-President — Marketing of your Company, will stand for election at the Annual Meeting to fill the vacancy created by Mr. Crombie's retirement.

## Acknowledgements

To the Company's customers, who shared the inconvenience of the strike and whose demands are our livelihood, and to the suppliers who show ingenuity in meeting our needs, are extended this acknowledgement and the Company's thanks.

Your Company is fortunate in having an organization who share the think-modern philosophy, and who respond with vitality to challenges. From them your Company draws great support and strength.

Submitted on behalf of the Board,

F. R. DANIELS
*Chairman of the Board*

E. F. KING
*President*

Montreal, Quebec,
May 8th, 1967.

# Auditors' Report

The Shareholders,
Dominion Textile Company Limited.

We have examined the accompanying consolidated balance sheet of Dominion Textile Company Limited and Canadian subsidiaries as at March 31st 1967 and the consolidated statements of income, retained earnings and source and application of funds for the year ended on that date. For Dominion Textile Company Limited and those of the subsidiaries of which we are the auditors, our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. With respect to the remaining subsidiaries of which we are not the auditors, we have carried out such enquiries and examinations as we considered necessary in order to accept for purposes of consolidation the reports of the other auditors.

In our opinion these financial statements present fairly the consolidated financial position of Dominion Textile Company Limited and its Canadian subsidiaries as at March 31st 1967, the results of their operations and the source and application of funds for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

TOUCHE, ROSS, BAILEY & SMART,
*Chartered Accountants.*

Montreal, Que.
May 4, 1967.

# Consolidated Statement of Income

FOR THE YEAR ENDED MARCH 31st 1967

| | 1967 | 1966 |
|---|---|---|
| Sales | **$129,807,786** | $178,323,982 |
| Operating expenses, including interest on long term debt of $1,950,551 in 1967 and $2,049,643 in 1966 (Note 5) | **141,759,228** | 166,750,366 |
| Income (loss) from operations | **(11,951,442)** | 11,573,616 |
| Revenue from marketable securities | **459,195** | 816,682 |
| Dividend from an affiliated company | **74,812** | 74,812 |
| | **(11,417,435)** | 12,465,110 |
| Income taxes (Note 4) | **(6,851,600)** | 5,119,273 |
| Net income (loss) for the year | **$ (4,565,835)** | $ 7,345,837 |
| Per common share, after preferred dividends | **$ (1.80)** | $ 2.79 |

# Consolidated Statement of Retained Earnings

FOR THE YEAR ENDED MARCH 31st 1967

| | 1967 | 1966 |
|---|---|---|
| Retained earnings at beginning of year | **$ 58,262,883** | $ 52,706,631* |
| Net income (loss) for the year | **(4,565,835)** | 7,345,837 |
| Profit on sales of marketable securities and fixed assets | **995,663** | 1,521,981 |
| | **54,692,711** | 61,574,449 |
| DEDUCT: | | |
| Preferred dividends of $7.00 per share | **97,601** | 97,804 |
| Common dividends of $1.00 per share ($1.25 in 1966) | **2,570,361** | 3,213,762 |
| | **2,667,962** | 3,311,566 |
| Retained earnings at end of year | **$ 52,024,749** | $ 58,262,883 |

**after transfer in 1966 of fixed inventory reserve and reserve for marketable securities.*

# Consolidated Statement of Source and Application of Funds

FOR THE YEAR ENDED MARCH 31st 1967

| | 1967 | 1966 |
|---|---|---|
| FUNDS PROVIDED | | |
| From operations | | |
| Net income (loss) for the year | $ (4,565,835) | $ 7,345,837 |
| Non cash items | | |
| Depreciation | 9,249,274 | 8,712,977 |
| Deferred income taxes | (2,491,352) | 713,724 |
| | 2,192,087 | 16,772,538 |
| Proceeds from issue of 6¾% Debentures, Series B | 19,887,500 | — |
| Sale of marketable securities and fixed assets | 1,062,485 | 2,082,765 |
| Penmans Limited working capital — accounts consolidated for the first time | — | 8,954,272 |
| | 23,142,072 | 27,809,575 |
| FUNDS APPLIED | | |
| Additions to fixed assets | 19,297,210 | 31,138,810 |
| Long term debt redeemed or due for redemption within one year | — | 6,144,000 |
| Dividends | 2,667,962 | 3,311,566 |
| Other | 160,949 | 918,762 |
| | 22,126,121 | 41,513,138 |
| INCREASE (DECREASE) IN WORKING CAPITAL | $ 1,015,951 | $ (13,703,563) |
| WORKING CAPITAL AT BEGINNING OF YEAR | $ 49,912,953 | $ 63,616,516 |
| Increase (decrease) during year | 1,015,951 | (13,703,563) |
| WORKING CAPITAL AT END OF YEAR | $ 50,928,904 | $ 49,912,953 |

# Consolidated Balance Sheet as at March 31st 1967

Dominion Textile Company Limited and Canadian Subsidiaries

## Assets

| | 1967 | 1966 |
|---|---|---|
| CURRENT ASSETS | | |
| Cash | $ 740,129 | $ 384,294 |
| Accounts receivable | 23,218,171 | 26,559,426 |
| Taxes recoverable | 4,851,816 | — |
| Inventories of raw materials, merchandise and supplies — at the lower of cost and market | 64,606,545 | 57,969,367 |
| Marketable securities — at cost (market value 1967 — $9,169,292; 1966 — $11,466,300) | 8,895,015 | 9,469,338 |
| Prepaid expenses | 760,293 | 914,032 |
| | 103,071,969 | 95,296,457 |
| INVESTMENTS AND ADVANCES — AT COST (Note 1) | 3,249,377 | 3,081,841 |
| FIXED ASSETS | | |
| Land, buildings, machinery and equipment — at cost | 180,778,228 | 163,628,186 |
| DEFERRED CHARGES | | |
| Income taxes (Note 2) | 1,777,628 | — |
| Unamortized debenture expense | 319,006 | 226,404 |
| | 2,096,634 | 226,404 |
| | $289,196,208 | $262,232,888 |

On behalf of the Board:

F. R. DANIELS, *Director*

E. F. KING, *Director*

# Liabilities

| CURRENT LIABILITIES | 1967 | 1966 |
| --- | --- | --- |
| Bank indebtedness | $ 15,768,411 | $ 4,167,466 |
| Short term notes | 21,857,770 | 19,418,000 |
| Accounts payable and accrued liabilities | 8,949,227 | 12,038,315 |
| Accounts payable foreign subsidiaries — net | 2,662,582 | — |
| Dividends payable | 665,684 | 1,312,075 |
| Income and other taxes | 2,239,391 | 2,798,648 |
| Long term debt due within one year | — | 5,649,000 |
| | 52,143,065 | 45,383,504 |
| LONG TERM DEBT (Note 3) | 52,000,000 | 32,000,000 |
| ACCUMULATED DEPRECIATION ON FIXED ASSETS | 110,672,506 | 103,503,589 |
| DEFERRED INCOME TAXES (Note 2) | — | 713,724 |
| MINORITY INTEREST IN PREFERRED SHARES OF A SUBSIDIARY | 691,300 | 693,300 |

# Shareholders' Equity (Note 7)

| CAPITAL STOCK | 1967 | 1966 |
| --- | --- | --- |
| 7% Cumulative Preference | | |
| Authorized — 20,000 shares $100 par value | | |
| Outstanding — 13,859 shares (1966 — 13,972 shares) | 1,385,900 | 1,397,200 |
| Common | | |
| Authorized — 7,500,000 shares no par value | | |
| Issued — 2,595,774 shares | 20,278,688 | 20,278,688 |
| RETAINED EARNINGS | 52,024,749 | 58,262,883 |
| | 73,689,337 | 79,938,771 |
| | $289,196,208 | $262,232,888 |

# Notes to Consolidated Financial Statement March 31st 1967

Dominion Textile Company Limited and Canadian Subsidiaries

## Note 1

INVESTMENTS AND ADVANCES

| | 1967 | 1966 |
|---|---|---|
| Investment in foreign subsidiaries | $ 172,360 | $ 172,360 |
| Investment in an affiliated company | 1,603,125 | 1,603,125 |
| | 1,775,485 | 1,775,485 |
| Other investments and advances | 1,473,892 | 1,306,356 |
| | $ 3,249,377 | $ 3,081,841 |

The interest of Dominion Textile Company Limited in the net assets of the foreign subsidiary companies and the affiliated company, in which its investment amounted to $1,775,485 at March 31st 1967, aggregated $3,598,608. The equity of Dominion Textile Company Limited in the aggregate net income, before dividends, of these companies for their current fiscal years amounted to $87,772. Dominion Textile Company Limited received a dividend of $74,812 from the affiliated company and this dividend is included in net income (loss) for the year.

## Note 2

DEFERRED INCOME TAXES

The deferred income tax charges of $1,777,628 at March 31st, 1967 result from certain subsidiary companies providing depreciation in their accounts and not claiming any capital cost allowances for income tax purposes. These companies operate in designated areas and are exempt from income taxes for a period of three years.
The companies concerned are operating at a profit and it is expected that the deferred income tax charges will be applied to those future periods in which the capital cost allowances for income tax purposes will be greater than the depreciation recorded in the accounts.
Deferred income tax charges of $1,236,526 were set up in 1967 and $541,102 in 1966; the amount set up in 1966 was deducted from deferred income tax credits of $1,254,826 and the net amount of $713,724 was shown on the balance sheet as at March 31st, 1966.

## Note 2 (Cont'd)

Deferred income tax credits of $1,254,826 set up in 1966 due to capital cost allowances for income tax purposes exceeding depreciation provided in the accounts are included in the recovery of income taxes for the year ended March 31st, 1967.
For all companies other than those operating in designated areas the capital cost allowances expected to be claimed for income tax purposes in 1967 will approximate the depreciation recorded in the accounts.

## Note 3

LONG TERM DEBT

| | 1967 | 1966 |
|---|---|---|
| Dominion Textile Company Limited | | |
| 4% Sinking Fund Debentures due August 1st 1966 Authorized and issued $10,000,000 less redeemed | $ — | $ 5,000,000 |
| 5⅝% Sinking Fund Debentures, Series A due March 31st 1988 Authorized and issued | 32,000,000 | 32,000,000 |
| 6¾% Serial Debentures, Series B maturing April 15th 1969 to April 15th 1972 Authorized and issued | 7,500,000 | — |
| 6¾% Sinking Fund Debentures, Series B due April 15th 1990 Authorized and issued | 12,500,000 | — |
| Penmans Limited | | |
| 3¼% First Mortgage Bonds, Series A due October 1st 1966 Authorized and issued $1,500,000 less redeemed | — | 649,000 |
| | 52,000,000 | 37,649,000 |
| *Less:* Long term debt due within one year | — | 5,649,000 |
| | $52,000,000 | $32,000,000 |

## Note 4

INCOME TAXES

| | 1967 | 1966 |
|---|---|---|
| Income taxes comprise the following: | | |
| Income taxes provided by companies with taxable income | $ 106,947 | $ 4,405,549 |
| Recovery of a portion of the 1966 income taxes actually paid by applying 1967 losses against income earned in 1966 (some companies were taxable in both years) . . . | (4,110,343) | — |
| $4,217,807 of the 1967 losses could not be applied against 1966 income and will be carried forward to reduce taxable income in future years | | |
| Deferred income taxes . . . | (1,254,826) | 1,254,826 |
| Credit resulting from subsidiary companies in designated areas providing depreciation in their accounts and not charging any capital cost allowances for income tax purposes . . . . . . | (1,236,526) | (541,102) |
| Overprovision of prior years' income taxes. . . . . . | (356,852) | — |
| | $ (6,851,600) | $ 5,119,273 |

## Note 5

STATUTORY INFORMATION

| | 1967 | 1966 |
|---|---|---|
| Operating expenses include: | | |
| Depreciation . . . . . . . . | $ 9,249,274 | $ 8,712,977 |
| Remuneration of directors including officers who are also directors . . . . . . | 254,891 | 252,432 |

## Note 6

ANTICIPATED CAPITAL EXPENDITURES

Capital expenditures for the year ending March 31st 1968 are estimated to be $5,500,000.

## Note 7

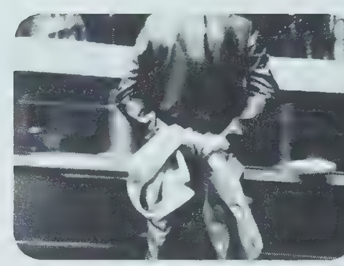
RESTRICTION UNDER TRUST DEED

The Deed of Trust and Mortgage relating to the long term debt contains certain restrictions, customarily found in Deeds of this type, pertaining to the declaration or payments of dividends and the reduction of capital.

**Advertising and promotional programmes were important factors during 1966 in increasing consumer awareness of Dominion Textile Company and the products of its divisions and subsidiaries. Shown here is a selection of the various television commercials, newspaper and magazine advertisements used to reach large segments of the Canadian buying public: —**

"Fashion in the Bedroom" showed the wide variety of Tex-made sheets, pillowcases and matching blankets.

"Hockey" television commercial promoted Tex-made sheets for kids as well as grownups.

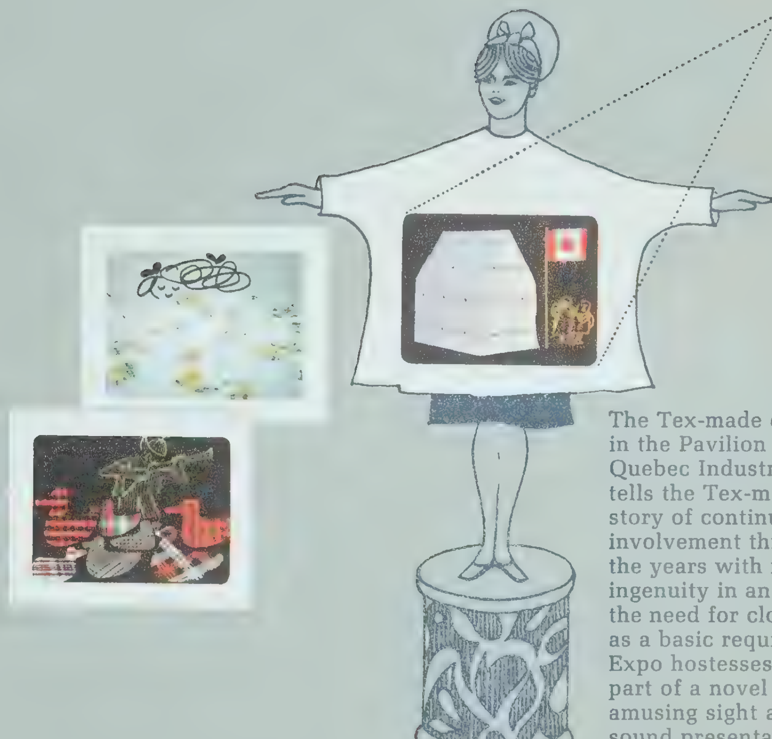


"Raincoat" dramatized wrinkle-free quality of Tex-made Truprest fabric on television.

TEX MADE

A new design and unifying theme was created for the company's major brand name and is gradually being incorporated in all advertising and public relations.


One of a series of full page newspaper advertisements launching the new Tex-made TRUPREST Durable Press fabric.



The Tex-made exhibit in the Pavilion of Quebec Industries tells the Tex-made story of continued involvement through the years with man's ingenuity in answering the need for clothing as a basic requirement. Expo hostesses are part of a novel and amusing sight and sound presentation that utilizes both French and English.


Advertising was pre-sold to the Trade by a variety of colourful brochures.

**In January 1967, a unique and colourful Dōmil Fabrics advertising campaign was launched to promote increased sales of the company's contemporary fashion fabrics.**


Published in full colour, Dōmil Fabrics newspaper advertisements became the most talked about in the textile trade.

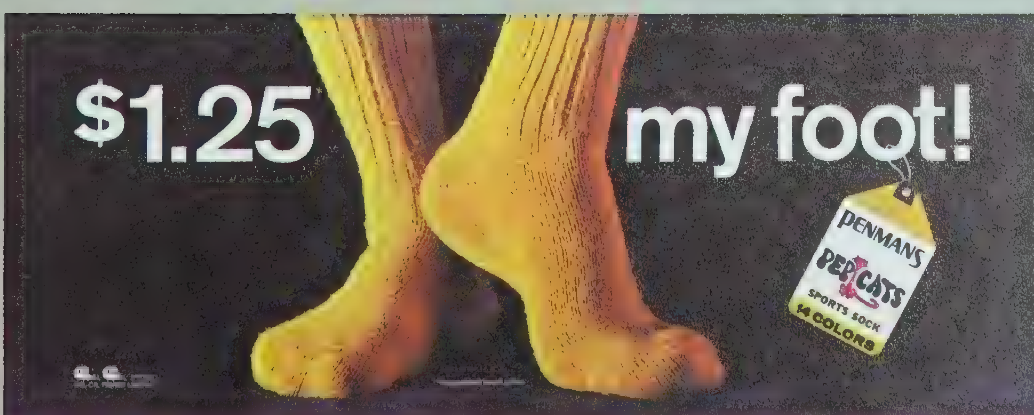

An actual tie reading "I'm against drab" was among the advance material announcing the campaign to the trade.


A new Dōmil Fabrics symbol was designed for incorporation in advertisements, garment tags, swatched cards, etc.


Tex-made Renaissance & Rose Marie Homestead sheets are modelled at an international trade show held in Sir John A. Macdonald House, London, England.

**next page ➤**

In November of 1966 a series of four-colour ads showing the extent of Caldwell's range of fashion towels began in Chatelaine magazine.




Penmans carried the young fashion look to the consumer in 1966 via car cards in 42 Markets and radio in 7.
The cards featured the range of Penmans sweaters, hose and underwear and the star of the show was the Pepcat sport sock illustrated at left.

# For Canada's Second Century

Last year's annual report announced your Company's intention to honor Canada's Centennial, by providing university careers for 24 young Canadians. Twelve scholars were granted awards last summer by an independent committee of senior Canadian educationists. Another twelve will be chosen by the same committee to start their university courses this year. Courses will be of four or five years' duration.

Names of the first twelve winners of Dominion Textile Centennial Scholarships are listed at the right. It was the privilege of your management to meet with these stimulating young people after they had been selected. Their spirit and ambitions were so positive-minded that they served to confirm the judgement of investing this Centennial fund in people, as an enduring facet of national life. They are typical of the generation which will lead this country in its second century. Their interest in education and their outlook offer great hope.

| | | |
|---|---|---|
| John Bochnovic | Montreal | Mechanical Engineering — McGill |
| Roger Bonin | Drummondville | Electrical Engineering — Sherbrooke |
| Raymond Brousseau | South Stukeley | Science — McGill |
| *Nicole Chabot | Drummondville | Biology — Sherbrooke |
| *Constant Côté | Drummondville | Science — Montreal |
| *Gilles Ferland | Drummondville | Science — Montreal |
| Hélène Huot | Courville | Social Science — Laval |
| Denis Lauzière | Drummondville | Electrical Engineering — Montreal |
| *Joan Lyons | Montreal | Arts — Loyola |
| *Gilles Moore | Drummondville | Electrical Engineering — Sherbrooke |
| Jacques Robert | Valleyfield | Science — Sherbrooke |
| *Raymond Tremblay | Montreal | Science — Montreal |

*Child of Dominion Textile employee.

# Dominion Textile Company Limited

## DIRECTORS

*HUGH CROMBIE
MARCEL FARIBAULT, LL.D.
J. CLAUDE HÉBERT
*D. ROSS McMASTER, Q.C.
W. CULVER RILEY
*F. R. DANIELS
*G. B. GORDON
*E. F. KING
JACK PEMBROKE
FRANK H. SOBEY
*COLIN W. WEBSTER

## OFFICERS

F. R. DANIELS, *Chairman of the Board*
E. F. KING, *President*
W. A. EVERSFIELD, *Vice-President — Finance*
D. W. JOHNSTON, *Vice-President — Grey Manufacturing*
N. E. KENRICK, *Vice-President & Comptroller*
R. H. PEROWNE, *Vice-President — Marketing*
W. J. VEITCH, *Vice-President — Project Research*
L. P. WEBSTER, *Vice-President — Administration*
C. A. McCRAE, *Treasurer*
C. M. BECK, *Secretary*

**Member of Executive Committee*

TEX MADE

PRINTED IN CANADA

TEX MADE

**DOMINION TEXTILE COMPANY LIMITED**

# Interim Report

*Six Months Ended December 28, 1968*

Net income for the six months ended December 28, 1968 was $2.1 million or $0.80 per common share after allowing for preferred dividends compared with earnings of $1.2 million and $0.45 per share for the same six months of the previous fiscal period. More significantly the loss from operations during the latest six months was reduced to $177,000 before taxes from just over $3.0 million for the comparable period a year ago.

During the quarter just ended income from operations amounted to $1.5 million before taxes in contrast with a loss of $182,000 in the same quarter last year.

E. F. KING,
*President*

Montreal, January 31, 1969

*Dominion Textile Company Limited and Subsidiaries*
*Consolidated Statement of Income*

| | THOUSANDS | | | |
|---|---|---|---|---|
| | Three Months December† 1968 | Three Months December† 1967 | Six Months December† 1968 | Six Months December† 1967 |
| Sales | **$45,565** | $44,687 | **$82,408** | $81,925 |
| Operating expenses | **44,068** | 44,869 | **82,585** | 84,947 |
| Income (loss) from operations | **1,497** | (182) | **(177)** | (3,022) |
| Revenue from marketable securities | **95** | 134 | **167** | 274 |
| | **1,592** | (48) | **(10)** | (2,748) |
| Income tax credit* | **162** | 1,476 | **1,819** | 3,631 |
| Net income from operations | **$ 1,754** | $ 1,428 | **$ 1,809** | $ 883 |
| Per common share, after preferred dividends | **$ .67** | $ .54 | **$ .68** | $ .32 |
| Profit on sale of fixed assets and marketable securities | **230** | 291 | **306** | 320 |
| Net income | **$ 1,984** | $ 1,719 | **$ 2,115** | $ 1,203 |
| Per common share, after preferred dividends | **$ .76** | $ .66 | **$ .80** | $ .45 |
| Operating expenses include: | | | | |
| Interest on long term debt | **$ 776** | $ 797 | **$ 1,549** | $ 1,593 |
| Depreciation | **2,393** | 2,368 | **4,780** | 4,755 |

†The 1968 results are for 13 and 26 week periods and the 1967 figures have been adjusted accordingly for comparative purposes.

*Includes credit resulting from subsidiary companies in designated areas providing depreciation in their accounts and not charging any capital cost allowances for income tax purposes during the tax-exempt period. It also includes a credit for future income tax benefits on the losses carried forward.

*Dominion Textile Company Limited and Subsidiaries*
*Consolidated Statement of Source and Application of Funds*

| | THOUSANDS | |
|---|---|---|
| | Six Months December 1968 | Six Months December 1967 |
| **Funds Provided** | | |
| Net income from operations | **$ 1,809** | $ 883 |
| Non cash items | | |
| Depreciation | **4,780** | 4,755 |
| Deferred income taxes | **(1,839)** | (3,495) |
| | **4,750** | 2,143 |
| Sale of fixed assets and profit on sale of marketable securities | **467** | 1,117 |
| | **5,217** | 3,260 |

| | THOUSANDS | |
|---|---|---|
| | Six Months December 1968 | Six Months December 1967 |
| **Funds Applied** | | |
| Additions to fixed assets | **1,253** | 2,188 |
| Long term debt redeemed | **960** | — |
| Dividends | **825** | 1,346 |
| Other | **16** | 794 |
| | **3,054** | 4,328 |
| **Increase (decrease) in Working Capital** | **$ 2,163** | $ (1,068) |
| **Working Capital at beginning of period** | **$51,112** | $51,258 |
| Increase (decrease) during period | **2,163** | (1,068) |
| **Working Capital at end of period** | **$53,275** | $50,190 |

MADE

# DOMINION TEXTILE COMPANY LIMITED

## Rapport intérimaire—

*Six mois terminés le 28 décembre 1968*

Le revenu net pour les six mois terminés le 28 décembre 1968 s'est élevé à $2.1 millions ou $0.80 par action ordinaire après déduction des dividendes sur les actions privilégiées comparativement à des gains de $1.2 millions et $0.45 par action pour les mêmes six mois de l'exercice fiscal précédent. Encore plus significatif est le fait que la perte d'exploitation pour les six derniers mois a été réduite à $177,000 avant les taxes comparativement à un peu plus de $3.0 millions pour la même période l'an dernier.

Au cours du trimestre qui vient de finir, les revenus d'exploitation s'établissent à $1.5 millions avant les taxes par contraste à une perte de $182,000 au cours du même trimestre l'an dernier.

*Le président,*
E. F. KING

Montréal, le 31 janvier 1969

### *Dominion Textile Company Limited et ses filiales*
### *État consolidé des revenus*

EN MILLIERS

| | Trois mois décembre† 1968 | Trois mois décembre† 1967 | Six mois décembre† 1968 | Six mois décembre† 1967 |
|---|---|---|---|---|
| Ventes | **$45,565** | $44,687 | **$82,408** | $81,925 |
| Frais d'exploitation | **44,068** | 44,869 | **82,585** | 84,947 |
| Revenus (pertes) d'exploitation | **1,497** | (182) | **(177)** | (3,022) |
| Revenus des titres négociables | **95** | 134 | **167** | 274 |
| | **1,592** | (48) | **(10)** | (2,748) |
| Crédit des impôts sur le revenu* | **162** | 1,476 | **1,819** | 3,631 |
| Revenus nets d'exploitation | **$ 1,754** | $ 1,428 | **$ 1,809** | $ 883 |
| Par action ordinaire, après déduction des dividendes sur les actions privilégiées | **$ .67** | $ .54 | **$ .68** | $ .32 |
| Profit sur les ventes d'immobilisations et de titres négociables | **230** | 291 | **306** | 320 |
| Revenus nets | **$ 1,984** | $ 1,719 | **$ 2,115** | $ 1,203 |
| Par action ordinaire, après déduction des dividendes sur les actions privilégiées | **$ .76** | $ .66 | **$ .80** | $ .45 |
| Les frais d'exploitation comprennent: | | | | |
| Intérêts sur la dette à long terme | **$ 776** | $ 797 | **$ 1,549** | $ 1,593 |
| Amortissement | **2,393** | 2,368 | **4,780** | 4,755 |

†Les résultats de 1968 sont pour des périodes de 13 et 26 semaines. Les chiffres pour 1967 ont été ajustés pour fins de comparaison.

*Comprend crédit découlant du fait que certaines sociétés filiales opérant dans des régions désignées ont pourvu à l'amortissement dans leurs livres mais n'ont pas réclamé d'amortissement en coût de capital aux fins d'impôts sur le revenu pendant la période d'exemption. Comprend aussi un crédit des avantages futurs d'impôts sur le revenu sur les pertes rapportées.

### *Dominion Textile Company Limited et ses filiales*
### *État consolidé de provenance et emploi des fonds*

EN MILLIERS

| **Provenance des fonds** | Six mois décembre 1968 | Six mois décembre 1967 |
|---|---|---|
| Revenus nets d'exploitation | **$ 1,809** | $ 883 |
| Articles ne donnant lieu à aucun déboursé | | |
| Amortissement | **4,780** | 4,755 |
| Impôts sur le revenu différés | **(1,839)** | (3,495) |
| | **4,750** | 2,143 |
| Ventes d'immobilisations et profits sur les ventes de titres négociables | **467** | 1,117 |
| | **5,217** | 3,260 |

| **Emploi des fonds** | Six mois décembre 1968 | Six mois décembre 1967 |
|---|---|---|
| Additions aux immobilisations | **1,253** | 2,188 |
| Dette à long terme remboursée | **960** | — |
| Dividendes | **825** | 1,346 |
| Autres | **16** | 794 |
| | **3,054** | 4,328 |
| **Augmentation (diminution) du fonds de roulement** | **$ 2,163** | $ (1,068) |
| **Fonds de roulement au début de l'exercice** | **$51,112** | $51,258 |
| Augmentation (diminution) durant l'exercice | **2,163** | (1,068) |
| **Fonds de roulement à la fin de l'exercice** | **$53,275** | $50,190 |

TEX MADE

# DOMINION TEXTILE COMPANY LIMITED

## Interim Report

Six Months Ended September 30, 1967

The financial figures presented herewith, while somewhat disappointing, are an indication of the continuance of the favourable trend mentioned in our remarks at the Annual Meeting on June 21, 1967. You will note that we have made substantial gains in our sales volume from the low of September, 1966 which was occasioned by the strike.

The international textile market has been dull for the past few months. This fact, coupled with numerous work stoppages in the plants of our customers due to labour troubles, has impeded the attainment of the volume necessary to offset the increase in labour and other costs.

It should also be noted that as indicated by the comparative figures in this report, our first six months even in a good year traditionally are not indicative of our year-end results.

The textile situation in the United States, a very important factor bearing on our market, has improved both as to price and volume. We are confident that with our spring lines being very well received, we will continue our recovery and at an accelerated pace.

Due to substantial increases in the importation of yarn from low-cost countries during the first six months of 1967, we have a weak situation in our sales yarn area and are faced with some production cut-backs in that sector during the balance of our fiscal year.

We are making progress in regaining our export volume.

The announcement by Finance Minister Sharp regarding certain man-made fibre fabrics and product imports from Japan will be welcomed by segments of the textile industry and should be helpful in adding a degree of confidence to the market.

Barring unforeseen factors of disturbance in the market, we are confident that our progress in the current six months will be substantial.

Montreal, October 25, 1967.

E. F. KING,
*President.*

*Dominion Textile Company Limited and Canadian Subsidiaries*
*Consolidated Statement of Income*

| | THOUSANDS | | | | |
|---|---|---|---|---|---|
| | Six Months September 1967 | Six Months September 1966 | Full Year March 1967 | Six Months September 1965 | Full Year March 1966 |
| Sales | **$73,628** | $46,030 | $129,808 | $78,522 | $178,324 |
| Operating expenses | **77,775** | 57,786 | 141,759 | 75,776 | 166,750 |
| Income (loss) from operations | **(4,147)** | (11,756) | (11,951) | 2,746 | 11,574 |
| Revenue from marketable securities | **273** | 228 | 459 | 359 | 816 |
| Dividend from an affiliated company | — | — | 75 | — | 75 |
| | **(3,874)** | (11,528) | (11,417) | 3,105 | 12,465 |
| Income taxes | **(4,001)*** | (5,592)* | (6,851)* | 1,268 | 5,119 |
| Net income (loss) from operations | **$ 127** | $(5,936) | $ (4,566) | $ 1,837 | $ 7,346 |
| Per common share, after preferred dividends | **$ .03** | $ (2.31) | $ (1.80) | $ .69 | $ 2.79 |
| Profit (loss) on sales of marketable securities and fixed assets | **281** | 783 | 996 | (90) | 1,522 |
| Net income (loss) for period | **$ 408** | $(5,153) | $ (3,570) | $ 1,747 | $ 8,868 |
| Per common share, after preferred dividends | **$ .14** | $ (2.00) | $ (1.41) | $ .65 | $ 3.38 |
| Operating expenses include: | | | | | |
| Interest on long term debt | **$ 1,597** | $ 983 | $ 1,951 | $ 1,028 | $ 2,050 |
| Depreciation | **4,754** | 4,625 | 9,249 | 4,356 | 8,713 |

*Includes credit resulting from subsidiary companies in designated areas providing depreciation in their accounts and not charging any capital cost allowances for income tax purposes during the tax-exempt period.

*Dominion Textile Company Limited and Canadian Subsidiaries*
*Consolidated Statement of Source and Application of Funds*

THOUSANDS

| | Six Months September 1967 | Six Months September 1966 |
|---|---|---|
| **Funds Provided** | | |
| From operations: | | |
| Net income (loss) from operations | **$ 127** | $ (5,936) |
| Non cash items | | |
| Depreciation | **4,754** | 4,625 |
| Deferred income taxes | **(701)** | (1,813) |
| | **4,180** | (3,124) |
| Sale of fixed assets and profit on sale of marketable securities | **377** | 783 |
| | **$ 4,557** | $ (2,341) |

| | Six Months September 1967 | Six Months September 1966 |
|---|---|---|
| **Funds Applied** | | |
| Additions to fixed assets | **$ 2,996** | $ 11,111 |
| Dividends | **1,336** | 1,336 |
| Other | **45** | 67 |
| | **$ 4,377** | $ 12,514 |
| **Increase (decrease) in Working Capital** | **$ 180** | $ (14,855) |
| **Working Capital at beginning of period** | **$ 50,929** | $ 49,913 |
| Increase (decrease) during period | **180** | (14,855) |
| **Working Capital at end of period** | **$ 51,109** | $ 35,058 |

ADE

# DOMINION TEXTILE COMPANY LIMITED

## Rapport semestriel

exercice terminé le 30 septembre 1967

Les données financières étalées ci-contre, même si quelque peu décevantes, indiquent quand même que la tendance favorable dont nous avons parlé à l'assemblée générale annuelle du 21 juin 1967 se continue. Il est à noter que le volume de nos ventes s'est beaucoup amélioré en comparaison du bas niveau de septembre 1966 qui était imputable à la grève.

Au cours des derniers mois, la situation internationale des textiles a été terne ; ajoutons à cela des nombreux arrêts de travail dans les usines de nos clients, et nous y trouvons l'explication du retard à rattraper le volume nécessaire pour contrebalancer les augmentations du coût de la main-d'oeuvre et des autres frais.

Il faut aussi prendre note, et l'analyse comparative des chiffres apparaissant aux états le démontre bien, que, traditionnellement, les résultats des six premiers mois, même d'une bonne année, ne sont pas un indice des résultats pour notre exercice financier entier.

La situation du marché des textiles aux États-Unis, un facteur des plus importants sur notre propre marché, s'est beaucoup améliorée tant du point de vue des prix que du volume. Nous sommes confiants, face à l'excellent accueil reçu par la gamme de nos produits printaniers, que notre rétablissement non seulement continuera, mais qu'il s'effectuera à un rythme accéléré.

Une augmentation importante des importations de filés pour ventes en provenance des pays à bas salaires au cours des six premiers mois de 1967 a provoqué un affaissement de nos ventes dans ce secteur et nous devons envisager une réduction dans la production de certains filés pour ventes au cours du dernier semestre de notre exercice financier.

Nous progressons dans la récupération du volume de nos ventes à l'exportation.

Certains secteurs de l'industrie textile accueilleront avec plaisir la déclaration du ministre des Finances, monsieur Sharp, sur les importations du Japon de certains tissus fabriqués de fibres synthétiques et de produits finis. Elle devrait aider à donner un regain de confiance au marché.

A moins de facteurs imprévus qui troubleraient le marché, nous sommes très confiants qu'au cours des six mois à venir, nos progrès seront importants.

*Le président,*

E. F. KING.

Montréal, le 25 octobre 1967.

*Dominion Textile Company Limited et ses filiales canadiennes*
*État consolidé des revenus*

EN MILLIERS

| | Six mois septembre 1967 | Six mois septembre 1966 | Exercice entier - mars 1967 | Six mois septembre 1965 | Exercice entier - mars 1966 |
|---|---|---|---|---|---|
| Ventes | $73,628 | $46,030 | $129,808 | $78,522 | $178,324 |
| Frais d'exploitation | 77,775 | 57,786 | 141,759 | 75,776 | 166,750 |
| Revenus (pertes) d'exploitation | (4,147) | (11,756) | (11,951) | 2,746 | 11,574 |
| Revenus des titres négociables | 273 | 228 | 459 | 359 | 816 |
| Dividende d'une société affiliée | — | — | 75 | — | 75 |
| | (3,874) | (11,528) | (11,417) | 3,105 | 12,465 |
| Impôts sur le revenu | (4,001)* | (5,592)* | (6,851)* | 1,268 | 5,119 |
| Revenus nets (pertes) d'exploitation | $ 127 | $(5,936) | $ (4,566) | $ 1,837 | $ 7,346 |
| Par action ordinaire, après déduction des dividendes sur les actions privilégiées | $ .03 | $ (2.31) | $ (1.80) | $ .69 | $ 2.79 |
| Profit (perte) sur les ventes de titres négociables et d'immobilisations | 281 | 783 | 996 | (90) | 1,522 |
| Revenus nets (pertes) pour l'exercice | $ 408 | $(5,153) | $ (3,570) | $ 1,747 | $ 8,868 |
| Par action ordinaire, après déduction des dividendes sur les actions privilégiées | $ .14 | $ (2.00) | $ (1.41) | $ .65 | $ 3.38 |
| Les frais d'exploitation comprennent : | | | | | |
| Intérêts sur la dette à long terme | $ 1,597 | $ 983 | $ 1,951 | $ 1,028 | $ 2,050 |
| Amortissement | 4,754 | 4,625 | 9,249 | 4,356 | 8,713 |

*Comprend crédit découlant du fait que certaines sociétés filiales opérant dans des régions désignées ont pourvu à l'amortissement dans leurs livres mais n'ont pas réclamé d'amortissement en coût de capital aux fins d'impôts sur le revenu pendant la période d'exemption.

*Dominion Textile Company Limited et ses filiales canadiennes*
*État consolidé de provenance et emploi des fonds*

EN MILLIERS

| **Provenance des fonds** | Six mois septembre 1967 | Six mois septembre 1966 |
|---|---|---|
| Exploitation | | |
| Revenus nets (pertes) d'exploitation | $ 127 | $ (5,936) |
| Articles ne donnant lieu à aucun déboursé | | |
| Amortissement | 4,754 | 4,625 |
| Impôts sur le revenu, différés | (701) | (1,813) |
| | 4,180 | (3,124) |
| Vente d'immobilisations et profit sur ventes des titres négociables | 377 | 783 |
| | $ 4,557 | $ (2,341) |

| **Emploi des fonds** | Six mois septembre 1967 | Six mois septembre 1966 |
|---|---|---|
| Additions aux immobilisations | $ 2,996 | $ 11,111 |
| Dividendes | 1,336 | 1,336 |
| Autres | 45 | 67 |
| | $ 4,377 | $ 12,514 |
| **Augmentation (diminution) du fonds de roulement** | $ 180 | $ (14,855) |
| **Fonds de roulement au début de l'exercice** | $ 50,929 | $ 49,913 |
| Augmentation (diminution) durant l'exercice | 180 | (14,855) |
| **Fonds de roulement à la fin de l'exercice** | $ 51,109 | $ 35,058 |